



NEWS FROM SCDCA
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FOR IMMEDIATE RELEASE
SCDCA WARNS AGAINST CREDIT INFORMATION HOAX

The South Carolina Department of Consumer Affairs has been flooded with calls concerning a credit information hoax being perpetuated via e-mail and flyers. The bogus message contains the alarming message that:

“Recent legislation states that, beginning July 1, the four major credit bureaus in the US will be allowed to release your credit information, mailing addresses, and telephone numbers to anyone who requests it. If you would like to ‘opt out’ of this release of your personal information, you must call 1.888.567.8688, press option 3, and leave your social security number, telephone number, or name and mailing address.”

Of course, this is not true. Credit bureaus can only release your credit information to people with a legitimate business need – as recognized by the Fair Credit Reporting Act. And, as evidenced by the scores of preapproved credit and insurance offers consumers receive in their mailboxes each week, credit information is already available for these ‘prescreening’ offers. There is also no legislation allowing credit bureaus to share private information to anyone who requests it.

Credit bureaus cannot sell your non-public information (such as your Social Security number, employee identification number and history, or financial account numbers) to “anyone who requests it”. Businesses seeking personal information must have a legitimate reason for doing so – such as to check credit worthiness or considering someone for employment. Your public information (address, telephone number, and name), however, can be compiled into lists sold by

the credit bureaus -- because this information that could be found on any number of publicly accessible sources, such as the phone directory, it is not deemed “non-public personal information,” and thus able to be compiled and sold.

But, as do many seemingly credible hoaxes, this one has a grain of truth. The number given (1.888.567.8688), also known as 1.888.5-OPT-OUT, *is a legitimate number*. This opt out number is the line through which consumers can have their name removed from prescreened offers and telemarketing lists.

The July 1 deadline actually refers to July 1, 2001, which was the deadline set by the Gramm-Leach-Bliley Act – a deadline by which financial institutions had to give consumers notice of their privacy policies and provide a way for consumers to opt out of some of their information-sharing practices. The July 1 date is not a real deadline for consumers to do anything. Consumers can opt out of the prescreened offers or contact their financial institutions about their personal and/or financial information at any time.

Consumers are advised to remember not to give personal information to anyone over the phone, by mail, or the internet – especially to people and businesses they are unfamiliar with. Identity thieves often pose as businesses or banks, even government agencies, to get you to reveal your private information.

If you would like more information about credit reporting, identity theft, how to remove your name from contact lists, or the Gramm-Leach-Billey Act, contact the FTC (www.ftc.gov) or the Department of Consumer Affairs at <http://www.state.sc.us/consumer>.

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